GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:317
ANSWERED ON:08.08.2016
Allotment of Petrol Pumps
Mishra Shri Anoop;Nete Shri Ashok Mahadeorao

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number of petrol pumps which are directly operated by Oil Marketing Companies (OMCs) at present and direct investments made by OMCs in such petrol pumps along with the norms and criteria/policy prescribed for allotment of such petrol pumps, OMC/State/UT-wise;
(b) whether the Government has any proposal to set up 10,000 gas agencies vis-a-vis allocation of LPG connections in rural/ backward and urban areas of the country and if so, the details thereof along with funds earmarked for the purpose, State/UT-wise ;
(c) whether the Government has set up/proposes to set up additional gas agencies to minimise/reduce the burden of huge number of gas connections in various places including Maharashtra and if so, the details thereof, State/UT-wise; and
(d) whether the Government proposes to set up sub-agencies for LPG distribution in near future and if so, the details thereof along with norms/criteria and guidelines to be followed including funding pattern of the said agencies?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a) to (d) - A statement is laid on the table of the House.
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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.317 ASKED BY SHRI ASHOK MAHADEORAO NETE AND SHRI ANOOP MISHRA FOR ANSWER ON 08.08.2016 REGARDING ALLOTMENT OF PETROL PUMPS.

(a) Public Sector Oil Marketing Companies operate some of their Retail Outlets (ROs) in the country on Company Owned Company Operated (COCO) basis. The day to day operation of such ROs is under the supervision of Company Officer. The staff on the forecourt is provided by the Service Provider who is on contract with the Corporation for providing the staff for such services.
State/UT/OMC wise numbers of such Permanent COCOs are at Annexure-I.
(d) Unified Guidelines for Selection of LPG Distributorships, 2016 provide for setting up `LPG Suvidha Kendra' on need basis in the country in difficult and special areas where setting up of Gramin Vitraks and Urban Vitraks are not feasible. It will be purely on temporary basis and managed by an authorized person of the concerned `Durgam Kshetriya Vitrak'. From the `LPG Suvidha Kendra', LPG customers will get products and services related to LPG like new LPG connections, supply of LPG cylinders refill, attending to LPG leakage complaints, servicing of LPG gas Stoves/hotplate, building awareness on use of LPG etc.
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Ministry of Petroleum & Natural Gas vide letter dated 6th September, 2006 issued broad guidelines on operation of Permanent COCO and also regarding phasing out of Temporary COCO. Only temporary COCOs were to be phased out and OMCs continue to operate their Flagship ROs as Permanent COCOs for various reasons like, scale of investment, strategic location, creating brand image, training of dealer /staff, trying out new initiatives etc.,
The direct investment made by OMCs in such permanent COCOs depends on various factors like type of market (Urban/Highway), size of the plot (small/medium/large format), assessed sales potential of the site, facilities/equipments planned etc. Further, the investment is made on Return on Investment (ROI) working of the proposed site(s) and meeting the benchmark Internal Rate of Return (IRR).
(b) & (c) Public Sector Oil Marketing Companies (OMCs) appoint LPG distributorships in the country including state of Maharashtra for distribution of LPG to their consumers. Appointment of LPG distributorships is a continuous process. OMCs aim to have at least one distributor in each block by 2019. Currently, as a part of the process of opening 10,000 new distributorships, the process for setting up of more than 2000 new LPG distributorships is at different stages of selection across the country. These new distributorships will largely come in rural areas. As on 01-07-2016, there are 18033 LPG distributorships in the country. State/UT-wise details of LPG distributorships are at Annexure-II.